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*Attorneys for Debtor Perseon Corporation
and Proposed Attorneys for Debtor in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:

PERSEON CORPORATION,

Debtor.

Case No. 16-24435

Chapter 11

Chief Judge R. Kimball Mosier

AUCTION NOTICE

AND

NOTICE OF SALE HEARING

Deadline to Object to Sale: July 11, 2016 at 4:00 p.m.
Auction Date: July 25, 2016 at 10:00 a.m. (Mountain Time)
Sale Hearing Date: July 26, 2016 at 11:00 a.m. (Mountain Time)

PLEASE TAKE NOTICE that on June 22, 2016, the Court entered its *Order (A) Authorizing Entry Into and Assumption of Asset Purchase Agreement, (B) Authorizing Bid Protections, (C) Authorizing Bidding Procedures and Auction, and (D) Scheduling Sale Hearing and Approving Notice Thereof* [Docket No. 56] (the “Order”), which approved the *Debtor’s Motion for Orders Pursuant to 11 U.S.C. §§ 105(a), 363, 364, 365, 503, and 507 and Fed. R.*

Bankr. P. 6004 and 6007: (I)(A) Authorizing Entry Into and Assumption of Asset Purchase Agreement, (B) Authorizing Bid Protections, (C) Authorizing Bidding Procedures and Auction, and (D) Scheduling Sale Hearing and Approving Notice Thereof; (II) Authorizing Sale of Assets; and (III) Granting Related Relief (the “Motion”)¹ filed by Perseon Corporation, on behalf of itself and as debtor in possession in the above-captioned case (the “Debtor”).

PLEASE TAKE FURTHER NOTICE THAT YOUR RIGHTS MAY BE AFFECTED. You should read this Notice, as well as the Motion, and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.

PLEASE TAKE FURTHER NOTICE that the Order approved, among other things, the Bidding Procedures attached to the Order as Exhibit 1, which governs selection of a Successful Bidder for the Assets through the Auction.

PLEASE TAKE FURTHER NOTICE that a copy of the Asset Purchase Agreement, by and between the Debtor and MedLink Technologies, LLC (the “Stalking Horse”) is attached to the Motion as Exhibit A (the “APA”).

PLEASE TAKE FURTHER NOTICE that the Motion seeks Court approval to sell the “Purchased Assets” to MedLink Technologies, LLC for a total “Purchase Price” of \$4,350,000.00 subject to overbid at Auction.

PLEASE TAKE FURTHER NOTICE that any bidder that desires to make a bid in the Auction must deliver written copies of its bid to the Notice Parties (as defined below) so as to be received by Notice Parties not later than **4:00 p.m. prevailing Mountain Time on July 21, 2016** (the “Bid Deadline”).

PLEASE TAKE FURTHER NOTICE that the Auction will be held at **10:00 a.m. prevailing Mountain Time on July 25, 2016** at the offices of Dorsey & Whitney LLP, 136 South Main Street, Suite 1000, Salt Lake City, UT 84101-1685.

PLEASE TAKE FURTHER NOTICE that a hearing to consider, among other things, the APA or a sale agreement for the purchase of the Assets with the party submitting the highest and/or otherwise best bid at the Auction, as determined by the Debtor (a “Successful Bidder”) will be held at **11:00 a.m. prevailing Mountain Time on July 26, 2016** before The Honorable R. Kimball Mosier, United States Bankruptcy Judge, in his courtroom, Room 369, 350 South Main Street, Salt Lake City, UT 84101, or as soon thereafter as the Debtor may be heard (the “Sale Hearing”).

PLEASE TAKE FURTHER NOTICE that objections to the Motion must be in writing, conform to the Bankruptcy Rules and the Local Rules of the Bankruptcy Court, and be filed with the Bankruptcy Court and served upon the “Notice Parties”: (a) counsel to the Debtor, Dorsey & Whitney LLP, 136 South Main St. Suite 1000, Salt Lake City, Utah 84101 Attn: Steven T. Waterman, email: waterman.steven@dorsey.com; and (b) the Office of the United States Trustee

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion or the Bidding Procedures as applicable.

for the District of Utah, 405 South Main St. #300, Salt Lake City, UT 84111 (collectively, the "Notice Parties").

PLEASE TAKE FURTHER NOTICE that if you do not want the Court to grant the relief requested in the Motion, or if you want the Court to consider your views on the Motion, then you or your attorney must do each of the following:

(1) On or before **4:00 p.m. prevailing Mountain Time on July 11, 2016** (the "Objection Deadline"), file a written objection specifically delineating the nature of your objection at:

Clerk of the Court
United States Bankruptcy Court
350 South Main Street, Room 301
Salt Lake City, UT 84101

If you mail your objection to the Court for filing, you must mail it early enough so that the Court will receive it on or before the Objection Deadline specified above. You must also serve a copy on the Notice Parties at the addresses specified above.

(2) Attend the Sale Hearing on the Motion at **11:00 a.m. prevailing Mountain Time on July 26, 2016** before the Honorable R. Kimball Mosier, in his courtroom, Room 369, of the Frank E. Moss United States Courthouse, 350 South Main Street, Salt Lake City, Utah 84101. Failure to attend the hearing will be deemed a waiver of your objection.

PLEASE TAKE FURTHER NOTICE THAT THE FAILURE TO ABIDE BY THE PROCEDURES AND DEADLINES SET FORTH IN THE ORDER AND BIDDING PROCEDURES MAY RESULT IN THE FAILURE OF THE COURT TO CONSIDER A COMPETING BID OR AN OBJECTION TO THE PROPOSED SALE TRANSACTION.

PLEASE TAKE FURTHER NOTICE that this Notice and the Sale Hearing are subject to the fuller terms and conditions of the Motion, the Order and the Bidding Procedures, which shall control in the event of any conflict, and the Debtor encourages parties-in-interest to review such documents in their entirety. The Motion, Order, Bidding Procedures and any other pleadings may be found for a fee at the Court's website (<http://www.utb.uscourts.gov/>) for registered users of the Public Access to Court Electronic Records (PACER) System.

DATED this 24th day of June, 2016.

DORSEY & WHITNEY LLP

/s/ Jeffrey M. Armington

Steven T. Waterman

Michael F. Thomson

Jeffrey M. Armington

Attorneys for Debtor Perseon Corporation

and Proposed Attorneys for Debtor in Possession